

EXECUTIVE SUMMARY - ENFORCEMENT MATTER

Page 1 of 3

DOCKET NO.: 2007-1078-MWD-E TCEQ ID: RN102186889 CASE NO.: 34141**RESPONDENT NAME: HONDO HEALTHCARE & REHABILITATION CENTER, INC. (PREVIOUSLY KNOWN AS HARVEST COMMUNITIES OF HOUSTON, INC.)****ORDER TYPE:**

| | | |
|--|---|---|
| <input checked="" type="checkbox"/> 1660 AGREED ORDER | <input type="checkbox"/> FINDINGS AGREED ORDER | <input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING |
| <input type="checkbox"/> FINDINGS DEFAULT ORDER | <input type="checkbox"/> SHUTDOWN ORDER | <input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER |
| <input type="checkbox"/> AMENDED ORDER | <input type="checkbox"/> EMERGENCY ORDER | |

CASE TYPE:

| | | |
|--|--|--|
| <input type="checkbox"/> AIR | <input type="checkbox"/> MULTI-MEDIA (check all that apply) | <input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE |
| <input type="checkbox"/> PUBLIC WATER SUPPLY | <input type="checkbox"/> PETROLEUM STORAGE TANKS | <input type="checkbox"/> OCCUPATIONAL CERTIFICATION |
| <input checked="" type="checkbox"/> WATER QUALITY | <input type="checkbox"/> SEWAGE SLUDGE | <input type="checkbox"/> UNDERGROUND INJECTION CONTROL |
| <input type="checkbox"/> MUNICIPAL SOLID WASTE | <input type="checkbox"/> RADIOACTIVE WASTE | <input type="checkbox"/> DRY CLEANER REGISTRATION |

SITE WHERE VIOLATION(S) OCCURRED: 10110 Airline Drive at the northeast corner of the intersection of Airline Drive and Aldine Mail Road, Harris County**TYPE OF OPERATION:** Wastewater treatment facility for a healthcare center**SMALL BUSINESS:** ☒ Yes ☐ No**OTHER SIGNIFICANT MATTERS:** There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.**INTERESTED PARTIES:** No one other than the ED and the Respondent has expressed an interest in this matter.**COMMENTS RECEIVED:** The *Texas Register* comment period expired on September 22, 2008. No comments were received.**CONTACTS AND MAILING LIST:****TCEQ Attorney:** Mr. Gary K. Shiu, Litigation Division, MC R-12, (713) 422-8916

Ms. Lena Roberts, Litigation Division, MC 175, (512) 239-0019

TCEQ Enforcement Coordinator: Mr. Craig Fleming, Waste Enforcement Section, MC 149, (512) 239-5806**TCEQ Regional Contact:** Mr. Stephen Smith, Houston Regional Office, MC R-12, (713) 767-3581**Respondent:** Mr. Thomas M. Clark, President and CEO, Hondo Healthcare & Rehabilitation Center, Inc., 5228 Valleypointe Parkway, Suite 1, Building B, Roanoke, Virginia 24019**Respondent's Attorney:** Not represented by counsel in this enforcement action.

VIOLATION SUMMARY CHART:

| VIOLATION INFORMATION | PENALTY CONSIDERATIONS | CORRECTIVE ACTIONS TAKEN/REQUIRED |
|--|--|--|
| <p>Type of Investigation:</p> <p><input type="checkbox"/> Complaint <input checked="" type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input type="checkbox"/> Records Review</p> <p>Date of Complaint Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: April 11, 2007</p> <p>Date of NOE Relating to this Case: May 7, 2007</p> <p>Background Facts: The case was referred to the Litigation Division on January 10, 2008. The EDRP was filed on February 28, 2008. The Respondent filed an answer and the case was scheduled for an evidentiary hearing. On or about September 22, 2008, the Executive Director received a signed settlement agreement and initial payment from the Respondent.</p> <p>Current Compliance Status: Respondent no longer owns the Facility. The new owner is Aldine Community Care Center, Inc.</p> <p>MWD:</p> <p>1. Failed to implement a nuisance prevention system to mitigate odor and noise [30 TEX. ADMIN. CODE §§ 305.125(1) and 309.13(e)(2) and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. 10825001, Other Requirements No. 3].</p> <p>2. Failed to submit DMRs as required by the permit [30 TEX. ADMIN. CODE §§ 305.125(1) and 319.1 and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 1].</p> <p>3. Failed to have all the required monitoring and reporting records available for review upon request [30 TEX. ADMIN. CODE §§ 305.125(1) and (11)(B) and 319.7(c) and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 3.b.].</p> <p>4. Failed to correctly calculate and report the monitoring data based on the required monitoring frequency for November 2005 [30 TEX. ADMIN. CODE §§ 305.125(1) and 319.1 and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 1].</p> | <p>Total Assessed: \$15,408</p> <p>Total Deferred: \$0 <input type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay <input type="checkbox"/> SEP Conditional Offset</p> <p>Total Paid/Due to General Revenue: \$533/\$14,875</p> <p>The Respondent has paid \$533 of the administrative penalty. The remaining amount of \$14,875 shall be payable in 35 monthly payments of \$425 each.</p> <p>Site Compliance History Classification: <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification: <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p> | <p>Corrective Action(s) Taken:</p> <p>The Executive Director recognizes that:</p> <p>1. Respondent no longer owns or operates the Facility;</p> <p>2. Respondent no longer has access to the Facility; and</p> <p>3. Respondent's Texas Pollutant Discharge Elimination System ("TPDES") Permit No. 10825001 expired on or about May 1, 2008.</p> <p>Technical Requirement(s):</p> <p>The Respondent shall undertake the following technical requirements:</p> <p>1. Within 90 days, pay all outstanding CWQ fees and associated late fees for TCEQ Account No. 23002404.</p> <p>2. Within 105 days, submit written certification of compliance and include detailed supporting documentation including photographs, receipts, and/or records to demonstrate compliance with the above Ordering Provision.</p> |

**RESPONDENT NAME: HONDO HEALTHCARE & REHABILITATION CENTER, INC.
(PREVIOUSLY KNOWN AS HARVEST COMMUNITIES OF HOUSTON, INC.)**

Page 3 of 3

DOCKET NO.: 2007-1078-MWD-E

5. Failed to properly operate and maintain the Facility [30 TEX. ADMIN. CODE § 305.125(1) and (5) and TPDES Permit No. 10825001, Operational Requirements No. 1].

6. Failed to timely submit DMRs as required by the permit [30 TEX. ADMIN. CODE §§ 305.125(1) and 319.1 and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 1].

7. Failed to pay outstanding Consolidated Water Quality ("CWQ") fees and associated late fees for TCEQ Account No. 23002404 for Fiscal Years 2005, 2006, and 2007 [30 TEX. ADMIN. CODE § 21.4 and TEX. WATER CODE § 5.702].



Policy Revision 2 (September 2002)

Penalty Calculation Worksheet (PCW)

PCW Revision June 26, 2007

| | | | | | | |
|--------------|----------|-------------|-----------|-------------|---------|--|
| DATES | Assigned | 12-May-2007 | Screening | 11-Jun-2007 | EPA Due | |
| | PCW | 9-Aug-2007 | | | | |

| | |
|--|---|
| RESPONDENT/FACILITY INFORMATION | |
| Respondent | Hondo Healthcare and Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.) |
| Reg. Ent. Ref. No. | RN102186889 |
| Facility/Site Region | 12-Houston |
| Major/Minor Source | Minor |

| | | | |
|---------------------------------|-----------------|-------------------|--------------------|
| CASE INFORMATION | | | |
| Enf./Case ID No. | 34141 | No. of Violations | 7 |
| Docket No. | 2007-1078-MWD-E | Order Type | 1660 |
| Media Program(s) | Water Quality | Enf. Coordinator | Catherine Albrecht |
| Multi-Media | | EC's Team | EnforcementTeam 1 |
| Admin. Penalty \$ Limit Minimum | \$0 | Maximum | \$10,000 |

Penalty Calculation Section

| | | |
|---|-------------------|-----------------|
| TOTAL BASE PENALTY (Sum of violation base penalties) | Subtotal 1 | \$14,400 |
|---|-------------------|-----------------|

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

| | | | |
|---------------------------|----------------|--------------------------------|----------------|
| Compliance History | 7% Enhancement | Subtotals 2, 3, & 7 | \$1,008 |
|---------------------------|----------------|--------------------------------|----------------|

| | |
|-------|---|
| Notes | The Respondent has one NOV for same or similar violations and one self-reported effluent violation. |
|-------|---|

| | | | | |
|--------------------|----|----------------|-------------------|------------|
| Culpability | No | 0% Enhancement | Subtotal 4 | \$0 |
|--------------------|----|----------------|-------------------|------------|

| | |
|-------|--|
| Notes | The Respondent does not meet the culpability criteria. |
|-------|--|

| | | | |
|------------------------------------|--------------|-------------------|------------|
| Good Faith Effort to Comply | 0% Reduction | Subtotal 5 | \$0 |
|------------------------------------|--------------|-------------------|------------|

| | | |
|---------------|------------|-------------------------------|
| | Before NOV | NOV to EDPRP/Settlement Offer |
| Extraordinary | | |
| Ordinary | | |
| N/A | X | (mark with x) |

| | |
|-------|---|
| Notes | The Respondent does not meet the good faith criteria. |
|-------|---|

| | | | | |
|-----------------------------------|----------------|--|-------------------|------------|
| Total EB Amounts | \$546 | 0% Enhancement* | Subtotal 6 | \$0 |
| Approx. Cost of Compliance | \$7,400 | *Capped at the Total EB \$ Amount | | |

| | | |
|-----------------------------|-----------------------|-----------------|
| SUM OF SUBTOTALS 1-7 | Final Subtotal | \$15,408 |
|-----------------------------|-----------------------|-----------------|

| | | | |
|---|--|-------------------|------------|
| OTHER FACTORS AS JUSTICE MAY REQUIRE | | Adjustment | \$0 |
|---|--|-------------------|------------|

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

| | |
|-------|--|
| Notes | |
|-------|--|

| | |
|-----------------------------|-----------------|
| Final Penalty Amount | \$15,408 |
|-----------------------------|-----------------|

| | | |
|-----------------------------------|-------------------------------|-----------------|
| STATUTORY LIMIT ADJUSTMENT | Final Assessed Penalty | \$15,408 |
|-----------------------------------|-------------------------------|-----------------|

| | | | |
|-----------------|--------------|-------------------|------------|
| DEFERRAL | 0% Reduction | Adjustment | \$0 |
|-----------------|--------------|-------------------|------------|

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

| | |
|-------|---|
| Notes | Deferral not offered for non-expedited settlement |
|-------|---|

| | |
|------------------------|-----------------|
| PAYABLE PENALTY | \$15,408 |
|------------------------|-----------------|

Screening Date 11-Jun-2007

Docket No. 2007-1078-MWD-E

PCW

Respondent Hondo Healthcare and Rehabilitation Center, Inc. (previo

Policy Revision 2 (September 2002)

Case ID No. 34141

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN102186889

Media [Statute] Water Quality

Enf. Coordinator Catherine Albrecht

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

| Component | Number of... | Enter Number Here | Adjust. |
|-------------------------------|--|-------------------|---------|
| NOVs | Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria) | 1 | 5% |
| | Other written NOVs | 1 | 2% |
| Orders | Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria) | 0 | 0% |
| | Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission | 0 | 0% |
| Judgments and Consent Decrees | Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgments or consent decrees meeting criteria) | 0 | 0% |
| | Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government | 0 | 0% |
| Convictions | Any criminal convictions of this state or the federal government (number of counts) | 0 | 0% |
| Emissions | Chronic excessive emissions events (number of events) | 0 | 0% |
| Audits | Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted) | 0 | 0% |
| | Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed) | 0 | 0% |
| Please Enter Yes or No | | | |
| Other | Environmental management systems in place for one year or more | No | 0% |
| | Voluntary on-site compliance assessments conducted by the executive director under a special assistance program | No | 0% |
| | Participation in a voluntary pollution reduction program | No | 0% |
| | Early compliance with, or offer of a product that meets future state or federal government environmental requirements | No | 0% |

Adjustment Percentage (Subtotal 2) 7%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

The Respondent has one NOV for same or similar violations and one self-reported effluent violation.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 7%

| | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---------------------------------|---|--|--|---------------|--|--|--|---------|----------|----------|-------|----------------------|----------------------|----------------------|---|----------------------|--|----------------------|----------------------|---|----------------------|
| Screening Date 11-Jun-2007 | | Docket No. 2007-1078-MWD-E | | PCW | | | | | | | | | | | | | | | | | | | | |
| Hondo Healthcare and Rehabilitation Center, Inc. (previously Respondent known as Harvest Communities of Houston, Inc.) | | | | | | | | | | | | | | | | | | | | | | | | |
| Case ID No. 34141 | | Policy Revision 2 (September 2002) PCW Revision June 26, 2007 | | | | | | | | | | | | | | | | | | | | | | |
| Reg. Ent. Reference No. RN102186889 | | | | | | | | | | | | | | | | | | | | | | | | |
| Media [Statute] Water Quality | | | | | | | | | | | | | | | | | | | | | | | | |
| Enf. Coordinator Catherine Albrecht | | | | | | | | | | | | | | | | | | | | | | | | |
| Violation Number | | <input type="text" value="1"/> | | | | | | | | | | | | | | | | | | | | | | |
| Rule Cite(s) | | 30 Tex. Admin. Code §§ 305.125(1) and 309.13(e)(2) and TPDES Permit No. 10825001, Other Requirements No. 3 | | | | | | | | | | | | | | | | | | | | | | |
| Violation Description | | Failed to implement a nuisance prevention system to mitigate odor and noise. Specifically, an adequate nuisance prevention plan has not been submitted to the TCEQ for approval by the permittee. | | | | | | | | | | | | | | | | | | | | | | |
| Base Penalty | | | | | <input type="text" value="\$10,000"/> | | | | | | | | | | | | | | | | | | | |
| >> Environmental, Property and Human Health Matrix | | | | | | | | | | | | | | | | | | | | | | | | |
| OR | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td colspan="3" style="text-align: center;">Harm</td> <td></td> </tr> <tr> <td style="text-align: center;">Release</td> <td style="text-align: center;">Major</td> <td style="text-align: center;">Moderate</td> <td style="text-align: center;">Minor</td> <td></td> </tr> <tr> <td style="text-align: center;">Actual</td> <td><input type="text"/></td> <td><input type="text"/></td> <td><input type="text"/></td> <td rowspan="2" style="text-align: right; vertical-align: middle;">Percent <input type="text" value="10%"/></td> </tr> <tr> <td style="text-align: center;">Potential</td> <td><input type="text"/></td> <td style="text-align: center;">x</td> <td><input type="text"/></td> </tr> </table> | | | | | | Harm | | | | Release | Major | Moderate | Minor | | Actual | <input type="text"/> | <input type="text"/> | <input type="text"/> | Percent <input type="text" value="10%"/> | Potential | <input type="text"/> | x | <input type="text"/> |
| | | Harm | | | | | | | | | | | | | | | | | | | | | | |
| | Release | Major | Moderate | Minor | | | | | | | | | | | | | | | | | | | | |
| | Actual | <input type="text"/> | <input type="text"/> | <input type="text"/> | Percent <input type="text" value="10%"/> | | | | | | | | | | | | | | | | | | | |
| Potential | <input type="text"/> | x | <input type="text"/> | | | | | | | | | | | | | | | | | | | | | |
| >> Programmatic Matrix | | | | | | | | | | | | | | | | | | | | | | | | |
| Matrix Notes | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td colspan="3" style="text-align: center;">Falsification</td> <td></td> </tr> <tr> <td style="text-align: center;">Major</td> <td style="text-align: center;">Moderate</td> <td style="text-align: center;">Minor</td> <td></td> </tr> <tr> <td><input type="text"/></td> <td><input type="text"/></td> <td><input type="text"/></td> <td rowspan="2" style="text-align: right; vertical-align: middle;">Percent <input type="text" value="0%"/></td> </tr> <tr> <td><input type="text"/></td> <td><input type="text"/></td> <td><input type="text"/></td> </tr> </table> | | | | | | Falsification | | | | Major | Moderate | Minor | | <input type="text"/> | <input type="text"/> | <input type="text"/> | Percent <input type="text" value="0%"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | | | |
| | | Falsification | | | | | | | | | | | | | | | | | | | | | | |
| | Major | Moderate | Minor | | | | | | | | | | | | | | | | | | | | | |
| | <input type="text"/> | <input type="text"/> | <input type="text"/> | Percent <input type="text" value="0%"/> | | | | | | | | | | | | | | | | | | | | |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | | | | | | | | | | | | | | | | | | | | | | |
| Failure to implement an odor and noise prevention system could significantly impact human health and the environment. | | | | | | | | | | | | | | | | | | | | | | | | |
| Adjustment | | | | | <input type="text" value="\$9,000"/> | | | | | | | | | | | | | | | | | | | |
| | | | | | <input type="text" value="\$1,000"/> | | | | | | | | | | | | | | | | | | | |
| Violation Events | | | | | | | | | | | | | | | | | | | | | | | | |
| Number of Violation Events | | <input type="text" value="1"/> | <input type="text" value="61"/> | Number of violation days | | | | | | | | | | | | | | | | | | | | |
| mark only one with an x | daily | | <input type="text"/> | Violation Base Penalty <input type="text" value="\$1,000"/> | | | | | | | | | | | | | | | | | | | | |
| | monthly | | <input type="text"/> | | | | | | | | | | | | | | | | | | | | | |
| | quarterly | | x | | | | | | | | | | | | | | | | | | | | | |
| | semiannual | | <input type="text"/> | | | | | | | | | | | | | | | | | | | | | |
| | annual | | <input type="text"/> | | | | | | | | | | | | | | | | | | | | | |
| | single event | | <input type="text"/> | | | | | | | | | | | | | | | | | | | | | |
| One quarterly event is recommended from the investigation date of April 11, 2007 to the screening date of June 11, 2007. | | | | | | | | | | | | | | | | | | | | | | | | |
| Economic Benefit (EB) for this violation | | | Statutory Limit Test | | | | | | | | | | | | | | | | | | | | | |
| Estimated EB Amount | | <input type="text" value="\$325"/> | Violation Final Penalty Total | | <input type="text" value="\$1,070"/> | | | | | | | | | | | | | | | | | | | |
| This violation Final Assessed Penalty (adjusted for limits) | | | | | <input type="text" value="\$1,070"/> | | | | | | | | | | | | | | | | | | | |

Economic Benefit Worksheet

Respondent Hondo Healthcare and Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.)

Case ID No. 34141

Reg. Ent. Reference No. RN102186889

Media Water Quality

Violation No. 1

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0 | 15 |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| No commas or \$ | | | | | | | |

Delayed Costs

| | | | | | | | |
|--------------------------|---------|-------------|-------------|-----|------|-------|-------|
| Equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Buildings | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |
| Engineering/construction | \$5,000 | 11-Apr-2007 | 15-Mar-2008 | 0.9 | \$15 | \$310 | \$325 |
| Land | | | | 0.0 | \$0 | n/a | \$0 |
| Record Keeping System | | | | 0.0 | \$0 | n/a | \$0 |
| Training/Sampling | | | | 0.0 | \$0 | n/a | \$0 |
| Remediation/Disposal | | | | 0.0 | \$0 | n/a | \$0 |
| Permit Costs | | | | 0.0 | \$0 | n/a | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | n/a | \$0 |

Notes for DELAYED costs

Estimated costs of implementing an odor and noise prevention system. Date required is the investigation date.
Final date is the projected date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

| | | | | | | | |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal | | | | 0.0 | \$0 | \$0 | \$0 |
| Personnel | | | | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling | | | | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2] | | | | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3] | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$325

Screening Date 11-Jun-2007

Docket No. 2007-1078-MWD-E

PCW

Respondent Hondo Healthcare and Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.)

Policy Revision 2 (September 2002)

Case ID No. 34141

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN102186889

Media [Statute] Water Quality

Enf. Coordinator Catherine Albrecht

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code §§ 305.125(1) and 319.1 and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 1

Violation Description

Failed to submit Discharge Monitoring Reports ("DMRs") as required by the permit. Specifically, DMRs have not been submitted for February 2005, April through October 2005, December 2005, and January 2006.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

| Release | Harm | | |
|-----------|-------|----------|-------|
| | Major | Moderate | Minor |
| Actual | | | |
| Potential | | | |

Percent 0%

>> Programmatic Matrix

| Falsification | Major | Moderate | Minor |
|---------------|-------|----------|-------|
| | x | | |

Percent 10%

Matrix Notes

100% of the rule was not met by not submitting the monthly DMRs.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 10

813 Number of violation days

| | | |
|----------------------------|--------------|---|
| mark only one with an x | daily | |
| | monthly | x |
| | quarterly | |
| | semiannual | |
| | annual | |
| | single event | |

Violation Base Penalty \$10,000

Ten monthly events are recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$141

Violation Final Penalty Total \$10,700

This violation Final Assessed Penalty (adjusted for limits) \$10,700

Economic Benefit Worksheet

Respondent Hondo Healthcare and Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.)

Case ID No. 34141

Reg. Ent. Reference No. RN102186889

Media Water Quality

Violation No. 2

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0 | 15 |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| No commas or \$ | | | | | | | |

Delayed Costs

| | | | | | | | |
|--------------------------|---------|-------------|-------------|-----|-------|-----|-------|
| Equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Buildings | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |
| Engineering/construction | | | | 0.0 | \$0 | \$0 | \$0 |
| Land | | | | 0.0 | \$0 | n/a | \$0 |
| Record Keeping System | | | | 0.0 | \$0 | n/a | \$0 |
| Training/Sampling | | | | 0.0 | \$0 | n/a | \$0 |
| Remediation/Disposal | | | | 0.0 | \$0 | n/a | \$0 |
| Permit Costs | | | | 0.0 | \$0 | n/a | \$0 |
| Other (as needed) | \$1,000 | 20-Mar-2005 | 15-Jan-2008 | 2.8 | \$141 | n/a | \$141 |

Notes for DELAYED costs

Estimated costs of preparing and submitting the DMRs based on \$100 per month. Date required is the date the February 2005 DMR was due. Final date is the projected date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

| | | | | | | | |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal | | | | 0.0 | \$0 | \$0 | \$0 |
| Personnel | | | | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling | | | | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2] | | | | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3] | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,000

TOTAL

\$141

Screening Date 11-Jun-2007

Docket No. 2007-1078-MWD-E

PCW

Hondo Healthcare and Rehabilitation Center, Inc. (previously

Respondent known as Harvest Communities of Houston, Inc.)

Policy Revision 2 (September 2002)

Case ID No. 34141

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN102186889

Media [Statute] Water Quality

Enf. Coordinator Catherine Albrecht

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code §§ 305.125(1) and (11)(B) and 319.7(c) and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 3.b.

Violation Description

Failed to have all the required monitoring and reporting records available for review upon request. Specifically, the following records were not available for review: 1) Laboratory reports for February through October 2005, February 2006, April through June 2006, November 2006 through February 2007; 2) One of four laboratory reports for November 2005 and September 2006; 3) Operation logs for February 2005 through February 2006 and May 2006; and (4) The annual sludge report for the monitoring period ending July 31, 2006.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

| | Harm | | |
|-----------|-------|----------|-------|
| Release | Major | Moderate | Minor |
| Actual | | | |
| Potential | | | |

Percent 0%

>> Programmatic Matrix

| | Falsification | Major | Moderate | Minor |
|--|---------------|-------|----------|-------|
| | | x | | |

Percent 10%

Matrix Notes

Greater than 70% of the required records were not made available for review.

Adjustment \$9,000

\$1,000

Violation Events

Number of Violation Events 1

61 Number of violation days

| | | |
|-------------------------|--------------|---|
| mark only one with an x | daily | |
| | monthly | |
| | quarterly | |
| | semiannual | |
| | annual | |
| | single event | x |

Violation Base Penalty \$1,000

One single event is recommended based on the investigation date of April 11, 2007.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$8

Violation Final Penalty Total \$1,070

This violation Final Assessed Penalty (adjusted for limits) \$1,070

Economic Benefit Worksheet

Respondent Hondo Healthcare and Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.)

Case ID No. 34141

Reg. Ent. Reference No. RN102186889

Media Water Quality

Violation No. 3

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0 | 15 |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| No commas or \$ | | | | | | | |

Delayed Costs

| | | | | | | | |
|--------------------------|-------|-------------|-------------|-----|-----|-----|-----|
| Equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Buildings | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |
| Engineering/construction | | | | 0.0 | \$0 | \$0 | \$0 |
| Land | | | | 0.0 | \$0 | n/a | \$0 |
| Record Keeping System | \$200 | 11-Apr-2007 | 15-Jan-2008 | 0.8 | \$8 | n/a | \$8 |
| Training/Sampling | | | | 0.0 | \$0 | n/a | \$0 |
| Remediation/Disposal | | | | 0.0 | \$0 | n/a | \$0 |
| Permit Costs | | | | 0.0 | \$0 | n/a | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | n/a | \$0 |

Notes for DELAYED costs

Estimated costs of making the required records available for review. Date required is the investigation date. Final date is the projected date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

| | | | | | | | |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal | | | | 0.0 | \$0 | \$0 | \$0 |
| Personnel | | | | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling | | | | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2] | | | | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3] | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$200

TOTAL

\$8

Screening Date 11-Jun-2007

Docket No. 2007-1078-MWD-E

PCW

Hondo Healthcare and Rehabilitation Center, Inc. (previously
Respondent known as Harvest Communities of Houston, Inc.)

Policy Revision 2 (September 2002)

Case ID No. 34141

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN102186889

Media [Statute] Water Quality

Enf. Coordinator Catherine Albrecht

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code §§ 305.125(1) and 319.1 and TPDES Permit No. 10825001,
Monitoring and Reporting Requirements No. 1

Violation Description

Failed to correctly calculate and report the monitoring data based on the required monitoring frequency for November 2005. Specifically, the total suspended solids, carbonaceous biochemical oxygen demand, ammonia-nitrogen, and dissolved oxygen values reported on the November 2005 DMR were based on three of the four weekly monitoring events.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

| Release | Harm | | |
|-----------|-------|----------|-------|
| | Major | Moderate | Minor |
| Actual | | | |
| Potential | | | x |

Percent 5%

>> Programmatic Matrix

| Falsification | Major | Moderate | Minor |
|---------------|-------|----------|-------|
| | | | |

Percent 0%

Matrix Notes

Failure to provide effluent reports based on the required monitoring frequency could result in the exposure of an insignificant amount of pollutants which may not exceed levels protective of human health or the environment.

Adjustment \$9,500

\$500

Violation Events

Number of Violation Events 1

61 Number of violation days

| | | |
|----------------------------|--------------|---|
| mark only one with an x | daily | |
| | monthly | |
| | quarterly | |
| | semiannual | |
| | annual | |
| | single event | x |

Violation Base Penalty \$500

One single event is recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$5

Violation Final Penalty Total \$535

This violation Final Assessed Penalty (adjusted for limits) \$535

Economic Benefit Worksheet

Respondent Hondo Healthcare and Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.)

Case ID No. 34141

Reg. Ent. Reference No. RN102186889

Media Water Quality

Violation No. 4

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0 | 15 |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Overtime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|----------------|-----------|
| No commas or \$ | | | | | | | |

Delayed Costs

| | | | | | | | |
|--------------------------|------|-------------|-------------|-----|-----|-----|-----|
| Equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Buildings | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |
| Engineering/construction | | | | 0.0 | \$0 | \$0 | \$0 |
| Land | | | | 0.0 | \$0 | n/a | \$0 |
| Record Keeping System | | | | 0.0 | \$0 | n/a | \$0 |
| Training/Sampling | \$50 | 20-Dec-2005 | 15-Jan-2008 | 2.1 | \$5 | n/a | \$5 |
| Remediation/Disposal | | | | 0.0 | \$0 | n/a | \$0 |
| Permit Costs | | | | 0.0 | \$0 | n/a | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | n/a | \$0 |

Notes for DELAYED costs

Estimated costs of preparing and submitting the November 2005 DMR based on the required monitoring frequency. Date required is the date that the November 2005 DMR was due. Final date is the projected date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

| | | | | | | | |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal | | | | 0.0 | \$0 | \$0 | \$0 |
| Personnel | | | | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling | | | | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2] | | | | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3] | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$50

TOTAL

\$5

| | | |
|---|---|---------------------------------------|
| Screening Date 11-Jun-2007 | Docket No. 2007-1078-MWD-E | PCW |
| Hondo Healthcare and Rehabilitation Center, Inc. (previously Respondent known as Harvest Communities of Houston, Inc.) | | |
| <i>Policy Revision 2 (September 2002) PCW Revision June 26, 2007</i> | | |
| Case ID No. 34141 | | |
| Reg. Ent. Reference No. RN102186889 | | |
| Media [Statute] Water Quality | | |
| Enf. Coordinator Catherine Albrecht | | |
| Violation Number | <input type="text" value="5"/> | |
| Rule Cite(s) | 30 Tex. Admin. Code § 305.125(1) and (5) and TPDES Permit No. 10825001, Operational Requirements No. 1 | |
| Violation Description | Failed to properly operate and maintain the facility. Specifically, the return sludge line was not functioning and had contributed to the excessive accumulation of solids in the chlorine contact chamber and the effluent settling basin. | |
| Base Penalty | | <input type="text" value="\$10,000"/> |

>> Environmental, Property and Human Health Matrix

| | | | | | |
|-----------|----------------|----------------------|----------------------|----------------------|---|
| OR | | Harm | | | |
| | Release | Major | Moderate | Minor | |
| | Actual | <input type="text"/> | <input type="text"/> | <input type="text"/> | |
| | Potential | <input type="text"/> | x | <input type="text"/> | Percent <input type="text" value="10%"/> |

>> Programmatic Matrix

| | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|--|
| | Falsification | Major | Moderate | Minor | |
| | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | |
| | | | | | Percent <input type="text" value="0%"/> |

| | |
|---------------------|---|
| Matrix Notes | Failure to properly operate and maintain the facility could result in a significant amount of pollutants which may not exceed levels protective of human health or the environment. |
|---------------------|---|

Adjustment

Violation Events

| | | |
|---|---------------------------------|--------------------------|
| Number of Violation Events <input type="text" value="1"/> | <input type="text" value="61"/> | Number of violation days |
|---|---------------------------------|--------------------------|

| | | | |
|--------------------------------|--------------|----------------------|--|
| <i>mark only one with an x</i> | daily | <input type="text"/> | |
| | monthly | <input type="text"/> | |
| | quarterly | x | |
| | semiannual | <input type="text"/> | |
| | annual | <input type="text"/> | |
| | single event | <input type="text"/> | |

One quarterly event is recommended from the investigation date of April 11, 2007 to the screening date of June 11, 2007.

| | |
|---|---|
| Economic Benefit (EB) for this violation | Statutory Limit Test |
| Estimated EB Amount <input type="text" value="\$6"/> | Violation Final Penalty Total <input type="text" value="\$1,070"/> |
| This violation Final Assessed Penalty (adjusted for limits) <input type="text" value="\$1,070"/> | |

Economic Benefit Worksheet

Respondent Hondo Healthcare and Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.)

Case ID No. 34141

Reg. Ent. Reference No. RN102186889

Media Water Quality

Violation No. 5

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0 | 15 |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| No commas or \$ | | | | | | | |

Delayed Costs

| | | | | | | | |
|--------------------------|-------|-------------|-------------|-----|-----|-----|-----|
| Equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Buildings | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | \$150 | 11-Apr-2007 | 29-Jun-2007 | 0.2 | \$0 | \$2 | \$2 |
| Engineering/construction | | | | 0.0 | \$0 | \$0 | \$0 |
| Land | | | | 0.0 | \$0 | n/a | \$0 |
| Record Keeping System | | | | 0.0 | \$0 | n/a | \$0 |
| Training/Sampling | | | | 0.0 | \$0 | n/a | \$0 |
| Remediation/Disposal | \$100 | 11-Apr-2007 | 15-Jan-2008 | 0.8 | \$4 | n/a | \$4 |
| Permit Costs | | | | 0.0 | \$0 | n/a | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | n/a | \$0 |

Notes for DELAYED costs

Reported costs of repairing the return activated sludge line is \$150, and the estimated costs of removing the solids from the chlorine contact and effluent basins is \$100. Date required is the investigation date. Final date is the actual and projected dates of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

| | | | | | | | |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal | | | | 0.0 | \$0 | \$0 | \$0 |
| Personnel | | | | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling | | | | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2] | | | | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3] | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$250

TOTAL

\$6

Screening Date 11-Jun-2007

Docket No. 2007-1078-MWD-E

PCW

Hondo Healthcare and Rehabilitation Center, Inc. (previously
known as Harvest Communities of Houston, Inc.)

Policy Revision 2 (September 2002)

Case ID No. 34141

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN102186889

Media [Statute] Water Quality

Enf. Coordinator Catherine Albrecht

Violation Number 6

Rule Cite(s) 30 Tex. Admin. Code §§ 305.125(1) and 319.1 and TPDES Permit No. 10825001,
Monitoring and Reporting Requirements No. 1

Violation Description

Failed to timely submit Discharge Monitoring Reports ("DMRs") as required by the
permit. Specifically, DMRs for February 2006, April through June 2006, September
2006, and November 2006 through February 2007 were not submitted until July 23,
2007.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

| Release | Harm | | |
|-----------|-------|----------|-------|
| | Major | Moderate | Minor |
| Actual | | | |
| Potential | | | |

Percent 0%

>> Programmatic Matrix

| Falsification | Major | Moderate | Minor |
|---------------|-------|----------|-------|
| | | | x |

Percent 1%

Matrix
Notes

Less than 30% of the rule was not met by not submitting the monthly DMRs on time.

Adjustment \$9,900

\$100

Violation Events

Number of Violation Events 9

448 Number of violation days

| | | |
|----------------------------|--------------|---|
| mark only one with an x | daily | |
| | monthly | |
| | quarterly | |
| | semiannual | |
| | annual | |
| | single event | x |

Violation Base Penalty \$900

Nine single events are recommended.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$60

Violation Final Penalty Total \$963

This violation Final Assessed Penalty (adjusted for limits) \$963

Economic Benefit Worksheet

Respondent Hondo Healthcare and Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.)

Case ID No. 34141

Reg. Ent. Reference No. RN102186889

Media Water Quality

Violation No. 6

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0 | 15 |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|--------------------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| <small>No commas or \$</small> | | | | | | | |

Delayed Costs

| | | | | | | | |
|--------------------------|-------|-------------|-------------|-----|------|-----|------|
| Equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Buildings | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |
| Engineering/construction | | | | 0.0 | \$0 | \$0 | \$0 |
| Land | | | | 0.0 | \$0 | n/a | \$0 |
| Record Keeping System | \$900 | 20-Mar-2006 | 23-Jul-2007 | 1.3 | \$60 | n/a | \$60 |
| Training/Sampling | | | | 0.0 | \$0 | n/a | \$0 |
| Remediation/Disposal | | | | 0.0 | \$0 | n/a | \$0 |
| Permit Costs | | | | 0.0 | \$0 | n/a | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | n/a | \$0 |

Notes for DELAYED costs

Estimated costs of preparing and submitting the DMRs based on \$100 per month. Date required is the date the February 2006 DMR was due. Final date is the date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

| | | | | | | | |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal | | | | 0.0 | \$0 | \$0 | \$0 |
| Personnel | | | | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling | | | | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2] | | | | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3] | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

Approx. Cost of Compliance

\$900

TOTAL

\$60

Screening Date 11-Jun-2007

Docket No. 2007-1078-MWD-E

PCW

Hondo Healthcare and Rehabilitation Center, Inc. (previously
Respondent known as Harvest Communities of Houston, Inc.)

Policy Revision 2 (September 2002)

Case ID No. 34141

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN102186889

Media [Statute] Water Quality

Enf. Coordinator Catherine Albrecht

Violation Number 7

Rule Cite(s)

30 Tex. Admin. Code § 21.4 and Tex. Water Code § 5.702

Violation Description

Failed to pay outstanding Consolidated Water Quality ("CWQ") fees and associated late fees for TCEQ Account No. 23002404 for Fiscal Years 2005, 2006, and 2007.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

| Release | Harm | | |
|-----------|-------|----------|-------|
| | Major | Moderate | Minor |
| Actual | | | |
| Potential | | | |

Percent 0%

>> Programmatic Matrix

| Falsification | Major | Moderate | Minor |
|---------------|-------|----------|-------|
| | | | |

Percent 0%

Matrix Notes

Adjustment \$10,000

\$0

Violation Events

Number of violation days

| | | |
|----------------------------|--------------|--|
| mark only one with an x | daily | |
| | monthly | |
| | quarterly | |
| | semiannual | |
| | annual | |
| | single event | |

Violation Base Penalty \$0

No administrative penalty was calculated for this violation as penalty and interest will be assessed in the next billing cycle.

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$0

This violation Final Assessed Penalty (adjusted for limits) \$0

Economic Benefit Worksheet

Respondent Hondo Healthcare and Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.)

Case ID No. 34141

Reg. Ent. Reference No. RN102186889

Media Water Quality

Violation No. 7

| Percent Interest | Years of Depreciation |
|------------------|-----------------------|
| 5.0 | 15 |

| Item Description | Item Cost | Date Required | Final Date | Yrs | Interest Saved | Onetime Costs | EB Amount |
|------------------|-----------|---------------|------------|-----|----------------|---------------|-----------|
| No commas or \$ | | | | | | | |

Delayed Costs

| | | | | | | | |
|--------------------------|--|--|--|-----|-----|-----|-----|
| Equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Buildings | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |
| Engineering/construction | | | | 0.0 | \$0 | \$0 | \$0 |
| Land | | | | 0.0 | \$0 | n/a | \$0 |
| Record Keeping System | | | | 0.0 | \$0 | n/a | \$0 |
| Training/Sampling | | | | 0.0 | \$0 | n/a | \$0 |
| Remediation/Disposal | | | | 0.0 | \$0 | n/a | \$0 |
| Permit Costs | | | | 0.0 | \$0 | n/a | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | n/a | \$0 |

Notes for DELAYED costs

N/A

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

| | | | | | | | |
|-------------------------------|--|--|--|-----|-----|-----|-----|
| Disposal | | | | 0.0 | \$0 | \$0 | \$0 |
| Personnel | | | | 0.0 | \$0 | \$0 | \$0 |
| Inspection/Reporting/Sampling | | | | 0.0 | \$0 | \$0 | \$0 |
| Supplies/equipment | | | | 0.0 | \$0 | \$0 | \$0 |
| Financial Assurance [2] | | | | 0.0 | \$0 | \$0 | \$0 |
| ONE-TIME avoided costs [3] | | | | 0.0 | \$0 | \$0 | \$0 |
| Other (as needed) | | | | 0.0 | \$0 | \$0 | \$0 |

Notes for AVOIDED costs

N/A

Approx. Cost of Compliance

\$0

TOTAL

\$0

Compliance History

Customer/Respondent/Owner-Operator: CN601181449 Harvest Communities of Houston, Inc. Classification: AVERAGE Rating: 1.74

Regulated Entity: RN102186889 ALDINE COMMUNITY CARE Classification: AVERAGE Site Rating: 1.74

ID Number(s): PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1010071
 WASTEWATER PERMIT WQ0010825001
 WASTEWATER PERMIT TX0032255000
 WASTEWATER PERMIT TX0032255
 WASTEWATER LICENSING LICENSE WQ0010825001

Location: 10110 AIRLINE DR, HOUSTON, TX, 77037 Rating Date: 9/1/2006 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: August 01, 2008

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: July 06, 2002 to July 06, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: J. Craig Fleming Phone: (512) 239-5806

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No
3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
N/A
- B. Any criminal convictions of the state of Texas and the federal government.
N/A
- C. Chronic excessive emissions events.
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)
- | | | |
|----|------------|----------|
| 1 | 07/24/2002 | (178119) |
| 2 | 08/19/2002 | (178122) |
| 3 | 09/26/2002 | (178125) |
| 4 | 10/30/2002 | (178128) |
| 5 | 05/04/2005 | (421678) |
| 6 | 12/22/2005 | (471758) |
| 7 | 03/06/2006 | (451566) |
| 8 | 06/23/2006 | (482687) |
| 9 | 08/24/2006 | (522384) |
| 10 | 08/24/2006 | (522385) |
| 11 | 11/29/2006 | (547087) |
| 12 | 11/29/2006 | (547088) |
| 13 | 05/08/2007 | (538438) |
- E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)
- Date: 03/02/2006 (451566)
- Self Report? NO Classification: Moderate
- Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
30 TAC Chapter 305, SubChapter F 305.125(5)

| | | | |
|--------------|---|----------------|----------|
| | 30 TAC Chapter 317 317.4(a)(8) | | |
| Rqmt Prov: | PERMIT Operational Req No. 1 | | |
| Description: | Failure to conduct the annual test for the backflow prevention device. The backflow prevention device must be tested annually and the documentaion must be maintained. | | |
| Self Report? | NO | Classification | Moderate |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 319, SubChapter A 319.1 | | |
| Rqmt Prov: | PERMIT M&RR No. 1 PERMIT Sludge Provisions | | |
| Description: | Failure to submit the annual sludge report for the period of August 1, 2004 through July 31, 2005. An annual sludge report must be submitted September 1st of each year whether sludge is hauled or not. There was reportedly no sludge hauled in 2005. | | |
| Self Report? | NO | Classification | Major |
| Citation: | 30 TAC Chapter 305, SubChapter D 305.64(b) | | |
| Description: | Failure to transfer the permit into the name of the current legal entity. The permit is currently in the name of Harvest Community, Inc. | | |
| Self Report? | NO | Classification | Major |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 309, SubChapter B 309.13(e)(2) | | |
| Rqmt Prov: | PERMIT Other Requirement No. 3 | | |
| Description: | Failure to implement a nuisance prevention system to mitigate odor and noise. An adequate nuisance prevention plan to mitigate odor and noise has not been submitted and approved by the permittee. | | |
| Self Report? | NO | Classification | Minor |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(5) TWC Chapter 26 26.121(a)(1) | | |
| Rqmt Prov: | PERMIT Operational Req. No. 1 | | |
| Description: | Failure to prevent the unauthorized discharge of sewage and partially treated wastewater. Specifically, sewage was leaking onto the ground from the piping at the lift station and from the settling tank and from the influent pipe to the influent chamber prior to the bar screen. | | |
| Self Report? | NO | Classification | Moderate |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(5) | | |
| Rqmt Prov: | PERMIT Operational Req. No. 1 | | |
| Description: | Failure to operate and maintain the facility. Specifically, the return sludge line was not functioning and had contributed to the excessive accumulation of solids in the chlorine contact chamber and effluent settling basin. | | |
| Self Report? | NO | Classification | Moderate |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(5) | | |
| Rqmt Prov: | PERMIT Operational Req. No. 1 | | |
| Description: | Failure to adequately operate and maintain the facility. Specifically, the plant was not secure because the fence had been cut for access due to an inaccessible gate. | | |
| Self Report? | NO | Classification | Minor |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) | | |
| Rqmt Prov: | PERMIT Operational Req. No. 1 | | |
| Description: | Failure to adequately operate and maintain the facility. Specifically, the bar screenings were not being dispose of properly. Screenings from the bar screen were placed on top of the walkway grating to dry. | | |
| Self Report? | NO | Classification | Moderate |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(5) 30 TAC Chapter 317 317.1 | | |
| Rqmt Prov: | PERMIT Operational Req. No. 1 | | |
| Description: | Failure to adequately operate and maintain the facility. Specifically, only one blower and one lift pump were operational at the time of the investigation and | | |

no backup blower or lift pump was provided.

| | | | |
|--------------|--|----------------|-------|
| Self Report? | NO | Classification | Minor |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 319, SubChapter A 319.1 30 TAC Chapter 319, SubChapter A 319.5(b) | | |
| Rqmt Prov: | PERMIT M&RR No. 1 | | |
| Description: | Failure to provide the required effluent monitoring results for November 2005. Specifically, reported monitoring data for total suspended solids, carbonaceous | | |

biochemical oxygen demand, ammonia-nitrogen, chlorine, and dissolved oxygen was based on three weekly monitoring periods rather than four in November 2005.

| | | | |
|--------------|--|----------------|----------|
| Self Report? | NO | Classification | Moderate |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(11)(B) 30 TAC Chapter 319, SubChapter A 319.7(c) | | |
| Rqmt Prov: | PERMIT M&RR No. 3.b. | | |
| Description: | Failure to have all the required monitoring and reporting records available for review upon request. Specifically, the following records were not available: 1) Laboratory reports for...; 2) One of four laboratory reports...; 3) Operation logs...; and 4) The annual sludge report for the monitoring period ending July 31 2006 | | |

| | | | |
|--------------|--|----------------|-------|
| Self Report? | NO | Classification | Minor |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 319, SubChapter A 319.1 | | |
| Description: | Failure to correctly calculate and report monitoring data based on the required monitoring frequency for November 2005. Specifically the total suspended solids, carbonaceous biochemical oxygen demand, ammonia-nitrogen, and dissolved oxygen values reported on the November 2005 DMR were based on three of the four weekly monitoring events. | | |

| | | | |
|--------------|---|----------------|-------|
| Self Report? | NO | Classification | Minor |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) 30 TAC Chapter 305, SubChapter F 305.125(5) | | |
| Rqmt Prov: | PERMIT Operational Req. No. 1 | | |
| Description: | Failure to adequately operate and maintain the facility. Specifically, the excessive sludge accumulations were found in the chlorine contact chamber. One and one-half feet of sludge was noted in a three foot water depth in the chlorine contact chamber and effluent settling basin at the time of the investigation. | | |

Date 07/31/2006 (522385)

| | | | |
|--------------|---|----------------|----------|
| Self Report? | YES | Classification | Moderate |
| Citation: | 30 TAC Chapter 305, SubChapter F 305.125(1) TWC Chapter 26 26.121(a) | | |
| Description: | Failure to meet the limit for one or more permit parameter | | |

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING HONDO
HEALTHCARE &
REHABILITATION CENTER, INC.
(PREVIOUSLY KNOWN AS
HARVEST COMMUNITIES OF
HOUSTON, INC.);
RN102186889

§
§
§
§
§
§
§
§
§
§

BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER
DOCKET NO. 2007-1078-MWD-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Hondo Healthcare & Rehabilitation Center, Inc. (previously known as Harvest Communities of Houston, Inc.) ("Respondent") under the authority of TEX. WATER CODE chs. 5, 7, and 26. The Executive Director of the TCEQ, represented by the Litigation Division, and the Respondent, appear before the Commission and together stipulate that:

1. Respondent owned and operated a wastewater treatment facility for a healthcare center located at 10110 Airline Drive at the northeast corner of the intersection of Airline Drive and Aldine Mail Road in Harris County, Texas (the "Facility").
2. This Agreed Order is entered into pursuant to TEX. WATER CODE §§ 7.051 and 7.070. The Commission has jurisdiction of this matter pursuant to TEX. WATER CODE § 5.013 because it alleges violations of TEX. WATER CODE chs. 5 and 26 and TCEQ rules.
3. The Commission and Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that Respondent is subject to the Commission's jurisdiction.
4. Respondent received notice of the violations alleged in Section II ("Allegations") on or about May 12, 2007.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Fifteen Thousand Four Hundred and Eight Dollars (\$15,408.00) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Respondent has paid Five Hundred Thirty-Three Dollars (\$533.00) of the administrative penalty. The remaining amount of Fourteen Thousand Eight Hundred Seventy-Five Dollars (\$14,875.00) of the administrative penalty shall be payable in thirty-five (35) monthly payments of Four Hundred Twenty-Five Dollars (\$425.00) each. The next monthly payment shall be paid within 30 days after the effective date of this Agreed Order. The subsequent payments shall each be paid not later than 30 days following the due date of the previous payment until paid in full. If the Respondent fails to timely and satisfactorily comply with the payment requirements of this Agreed Order, including the payment schedule, the Executive Director may, at his option, accelerate the maturity of the remaining installments, in which event the unpaid balance shall become immediately due and payable without demand or notice. In addition, the failure of the Respondent to meet the payment schedule of this Agreed Order constitutes the failure by the Respondent to timely and satisfactorily comply with all of the terms of this Agreed Order.
7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and Respondent have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that.
 - a. Respondent no longer owns or operates the Facility;
 - b. Respondent no longer has access to the Facility; and
 - c. Respondent's Texas Pollutant Discharge Elimination System ("TPDES") Permit No. 10825001 expired on or about May 1, 2008.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Respondent has not complied with one or more of the terms or conditions in this Agreed Order.

11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

Respondent is alleged to have violated:

1. 30 TEX. ADMIN. CODE §§ 305.125(1) and 309.13(e)(2) and Texas Pollutant Discharge Elimination System ("TPDES") Permit No. 10825001, Other Requirements No. 3 by failing to implement a nuisance prevention system to mitigate odor and noise. Specifically, an adequate odor and noise mitigation plan has not been submitted to the TCEQ for approval by the permittee.
2. 30 TEX. ADMIN. CODE §§ 305.125(1) and 319.1 and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 1 by failing to submit DMRs as required by the permit. Specifically, DMRs were not submitted for February 2005, April through October 2005, December 2005, and January 2006.
3. 30 TEX. ADMIN. CODE §§ 305.125(1) and (11)(B) and 319.7(c) and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 3.b. by failing to have all the required monitoring and reporting records available for review upon request. Specifically, the following records were not available for review: (a) laboratory reports for February through October 2005, February 2006, April through June 2006, November 2006 through February 2007, (b) one of four laboratory reports for November 2005 and September 2006, (c) operation logs for February 2005 through February 2006 and May 2006, and (d) the annual sludge report for the monitoring period ending July 31, 2006.
4. 30 TEX. ADMIN. CODE §§ 305.125(1) and 319.1 and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 1 by failing to correctly calculate and report the monitoring data based on the required monitoring frequency for November 2005. Specifically, the total suspended solids ("TSS"), carbonaceous biochemical oxygen demand ("CBOD"), ammonia-nitrogen ("NH₃-N") and dissolved oxygen ("DO") values reported on the November 2005 DMR were based on three of the four weekly monitoring events.
5. 30 TEX. ADMIN. CODE § 305.125(1) and (5) and TPDES Permit No. 10825001, Operational Requirements No. 1 by failing to properly operate and maintain the Facility. Specifically, the

return sludge line was not functioning and had contributed to the excessive accumulation of solids in the chlorine contact chamber and the effluent settling basin.

6. 30 TEX. ADMIN. CODE §§ 305.125(1) and 319.1 and TPDES Permit No. 10825001, Monitoring and Reporting Requirements No. 1 by failing to submit DMRs as required by the permit. Specifically, DMRs for February 2006, April through June 2006, September 2006, and November 2006 through February 2007 were not submitted timely.
7. 30 TEX. ADMIN. CODE § 21.4 and TEX. WATER CODE § 5.702 by failing to pay outstanding Consolidated Water Quality ("CWQ") fees and associated late fees for TCEQ Account No. 23002404 for Fiscal Years 2005, 2006, and 2007.

III. DENIALS

Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDER

1. It is, therefore, ordered by the TCEQ that Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from considering or requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "Texas Commission on Environmental Quality" and shall be sent with the notation "Re: Hondo Healthcare & Rehabilitation Center, Inc., Docket No. 2007-1078-MWD-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. Respondent shall undertake the following technical requirements:
 - a. Within 90 days after the effective date of this Agreed Order, Pay all outstanding CWQ fees and associated late fees for TCEQ Account No. 23002404 as required by 30 TEX. ADMIN. CODE § 21.4 and TEX. WATER CODE § 5.702.
 - b. Within 105 days after the effective date of the Commission Order, submit written certification of compliance as described below, and include detailed supporting

documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provision No 2.a. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Stephen Smith, Water Section, Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

3. The provisions of this Agreed Order shall apply to and be binding upon Respondent. Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. This Agreed Order, issued by the Commission, shall not be admissible against Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
5. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be

transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.

6. Under 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142, the effective date of this Agreed Order is the date of hand-delivery of the Order to Respondent, or three days after the date on which the Commission mails notice of the Order to Respondent, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

G. B. Benson Perdue

For the Executive Director

11/25/2008

Date

I, the undersigned, have read and understand the attached Agreed Order. I represent that I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that my failure to comply with the Ordering Provisions, if any, in this order and/or my failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted by me;
- Referral of this case to the Attorney General's office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions against me;
- Automatic referral to the Attorney General's Office of any future enforcement actions against me; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Thomas M. Clarke

Signature

9/22/2008

Date

Thomas M. Clarke

Name (Printed or typed)

Authorized representative of

Hondo Healthcare & Rehabilitation Center, Inc.

President & CEO

Title